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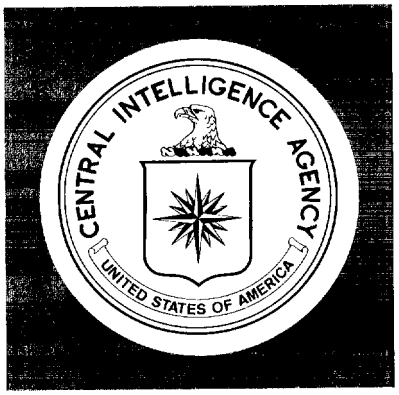

Intelligence Report

1974: Election Year in Central America

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1974: Election Year in Central America

Introduction

All of the countries of Central America except Honduras will hold national elections this year.* Voters throughout the area have a number of common concerns, both economic and political. Paramount are the economic problems such as inflation, the high cost of living, and the energy crisis, which stem in large part from forces beyond their national boundaries. Voters are also expressing greater concern than in the past for their political freedom and the future of democratic processes in their respective countries. All incumbent governments are at least to some degree seeking highly visible and short-term solutions in an effort to buttress their parties' chances at the polls. All of the presidential contenders with any chance of winning could deal effectively with the US.

Past elections offer some indication of the strengths of the various parties and the possible election results, but a general lessening of political apathy and, in Costa Rica, the influence of younger voters make this year's contests less predictable.

In none of the countries is there reason to expect a major upheaval or significant violence. Extensive fraud, heavy-handed tactics on the part of an incumbent government, or an economic crisis of serious proportions, could, however, change that relatively peaceful outlook. Furthermore, even though there are no indications that US nationals or US official and private interests are in danger, this too could change if economic problems seem to demand a convenient scapegoat.

*Costa Rica (February 3), Guatemala (March 3), El Salvador (March 10—legislative and municipal only), and Nicaragua (September 1). Honduras was scheduled to hold municipal elections in April, but these will probably not take place, since political party activity remains suspended by order of the military government.

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25X1A *Comments and queries on the contents of this report are welcome. They may be directed to* [redacted] *code 143, extension 7445.*

The Economic Pinch

The economic problems that Central American politicians have had to address during the campaigns are largely a reflection of international problems—the devaluation of the dollar (to which Central American currencies are pegged) and increased prices of basic commodities caused by world-wide shortages and international tensions. In an area where many are already living at a subsistence level, an increase in the price of rice, beans, or fuel can mean the difference between survival and disaster. Most Central American countries receive their fuel supplies from US oil companies, which have reduced each country's allocation in proportion to the over-all cutback. Even these modest reductions, however, have placed a hardship on the Central American economies.

The unsophisticated electorates find it easy to accept the simplistic explanations offered by opposition politicians who place the blame on the incumbent governments. Those in office, for their part, consider it essential to hold the line on prices and supplies until election day. When they have been unable to do this, they have resorted to legislating relief, thus buying their parties some respite—and perhaps a few votes.

In Guatemala, for instance, after a year of the most severe inflation in recent history, the government decreed minimum wage increases for 22 categories of employees. These increases range from 17 percent to 25 percent and affect 800,000 workers.

In El Salvador, where the governing party has retained majority support for over a decade largely because of its efforts in behalf of the impoverished masses, President Molina has continued his concept of the "mobile government," visiting every nook and cranny of his overcrowded country to get a first-hand view of the people's needs. He, too, has recently raised minimum wage rates. Without the resources—and to some extent the political strength—to effect a thoroughgoing agrarian reform program, Molina has had to settle for rural development and assistance. The most recent step on behalf of the rural workers has been a law requiring employers to furnish one meal a day of specified minimum standard or pay the employee an additional 30 cents.

The average worker in Nicaragua has seen his income seriously eroded by an increase in the cost of living of some 30 percent in less than a year. A series of strikes won wage increases—the first in over a decade—for some groups, and in September the government decreed an increase in minimum

wages of about 20 percent as a relief measure for those still working at the old levels.

The Costa Rican economy has suffered from a number of strikes in recent months, and constant complaints of decreased buying power have reached the politicians. While the governing party's presidential candidate, Daniel Oduber, has attempted to explain his program for combating inflation, he has generally talked over the heads of most people. President Figueres, fearing that his party may lose strength, has been trying in vain to push his family assistance bill through congress. Costa Rica has also been faced with a more severe fuel shortage than have other Central American countries. After some initial hysteria on the part of Figueres and some threats against the oil companies by his minister of economy, industries, and commerce, the government and the companies have turned to negotiation and have managed to minimize the hardship to the general public—at least for the time being.

Political Ideals and Realities

More than ever before the Central American voters are expressing their concern over the degree to which they have developed their democratic institutions. In countries such as Guatemala and Nicaragua, where democratic processes are more form than substance, portions of the electorate are taking a new interest in changing the system. In El Salvador, where for a decade or more the people's choice has been honored to a relatively high degree, and voters are jealously guarding the ground they have won. The Costa Rican voters, who for half a century have taken pride in their democracy, are concerned with further improving what they have carefully built.

Guatemalans have every reason to feel politically frustrated. They have endured one of the most violent political histories of any country in the area, and until the mid-1960s they had rarely experienced a fair election. To the extent that two opposition candidates for president (1966 and 1970) have won pluralities and had their victories confirmed by congress, Guatemala has made some headway in democratization. In the present campaign, however, President Arana has gone to great lengths to gain a victory for his hand-picked candidate, General Laugerud. Not only was Laugerud allowed (unofficially) an eight-month head start on campaigning, but his efforts are well financed through access to government resources. Furthermore, the government, through bribery and intimidation, has attempted to divide the opposition. Laugerud's vice presidential running-mate is Mario Sandoval, Guatemala's "Godfather" and director of much of the government-instigated violence.

Some officials, worried about opposition popularity, reportedly have advised that the election be rigged or postponed or that a pre-emptive coup be carried out. Under these conditions, the Guatemalan voters would have little hope of democratizing their system in the foreseeable future.

Nicaraguans, too, are showing signs of frustration, but for different reasons. Their history—especially during the 45 years the Somoza family has governed—has been among the most peaceful and orderly in the area, and economic development has proceeded steadily. Many Nicaraguans, however, feel that their political development has not kept pace with that of some neighboring countries. The electoral machinery, particularly the voter registration system, is outmoded, and the secret ballot, although constitutionally required, has been disregarded. Electoral officials have even been known to issue cards certifying that the person voted "correctly"—to be used later when requesting governmental favors.

Before the devastating earthquake of December 1972, opposition leaders had won promises that the electoral machinery and voter registration would be thoroughly overhauled. Since the quake these feelings have intensified, as inefficiency and corruption during reconstruction have pointed up the pitfalls of government by one man. Former President Anastasio Somoza, the power behind the present government, is still personally popular with many—perhaps with a majority—and his Liberal Party is by far the strongest political group. He could very likely win an honest election in September 1974, but not by the large margins of the past. Voters, even those who have remained out of politics in the past, are taking a more active interest in the 1974 election, viewing it as a chance for someone else to reach for the top job—or at least to see Somoza's popularity confirmed honestly. It is not possible, however, to effect significant electoral reforms in the short time remaining; thus the election in September will represent little if any advance over previous ones.

El Salvador, formerly governed by and for a wealthy oligarchy, has seen its mildly reformist military assume increasing control since about 1950. Since 1961 significant steps have been taken—especially the election of legislative deputies by proportional representation—to give opposition parties a chance to participate in the government. For the most part, they have acted as a constructive opposition. Their increased strength in the late 1960s, however, coupled with some loss of support for the governing party, caused the government to resort to coercion, ballot juggling, and other questionable tactics in 1970 and 1972.

Opposition parties are threatening to boycott the legislative and municipal elections this year unless fairness is guaranteed. President Molina appears willing to trust his party's future to the voters and has said it will win a majority of seats because of its record in office. He has worked industriously over the past year to make that record a good one. Although he has had to walk a tightrope between competing political forces, he has accomplished much for the average Salvadoran. The governing party will probably win a majority, but not an overwhelming one.

Costa Ricans have always expected fair elections and forcefully served notice in 1948—when they fought a revolution to uphold the electorate's decision that they would have them. The fact that opposition candidates have won every presidential contest since then is proof that Costa Rican elections are relatively honest, open, free-swinging affairs. This year Costa Ricans are hoping to improve what they already have by adding a reputation for clean, efficient government to their record as a well-established democracy. The Figueres government is quite vulnerable to charges of inefficiency and cronyism, and the governing party's candidate, Daniel Oduber, cannot completely dissociate himself from that record because he needs Figueres' support. He is, therefore, running on the party's long-term record. With eight candidates in the presidential race, Oduber may not get the required 40-percent plurality and could lose in a runoff election, if enough of the fragmented conservative opposition coalesces behind the expected runner-up, Fernando Trejos, of the National Unification party.

Two New Ingredients

Two factors may bring more Central Americans to the polls this year than in the past: an increase in political awareness and the growing influence of youth. The first is especially true in Nicaragua. In Costa Rica, where a high degree of electoral participation is the norm, the voting age has been lowered to 18, bringing to the voter rolls some 70,000 young people who could significantly affect the outcome of the election.

In Nicaragua the economic dislocations that followed the earthquake and the government's failure to cope with them effectively have led many to seek ways of influencing the course of government. Some shortcomings, such as the slowness of decision-making on certain phases of reconstruction, have been apparent only to those already politically aware. The government's indecisiveness was a serious problem to businessmen who had to await some word on the over-all rebuilding plan to know where to relocate their demolished businesses. Of more general concern was the failure of the

National Guard to protect property; indeed, many guardsmen were directly involved in the looting that followed the disaster. Another general concern has been corruption, a high degree of which has long been tolerated. But when land speculation, black market operations, and irregularities in awarding construction contracts increased significantly after the quake, critics of the government considered these practices inexcusable because so many people were in such great need.

The general public clamor for more efficient, more honest government has been unusually loud. Urban workers, whose income had been seriously reduced by high prices, were especially resentful of profiteering. There have been a number of strikes by formerly docile unions, businessmen have demanded a voice in planning, and the previously quiescent Catholic Church has become almost militant in behalf of the poor.

All this has given opposition politicians hope for additional votes in the September elections. Factions of the Conservative Party have taken the first steps toward capitalizing on this potential support by agreeing on one generally respected candidate, Eduardo Chamorro. Chamorro probably could not win the presidency against Somoza, even if the electoral machinery were overhauled in time and the election conducted in a completely fair manner. A respectable showing by the opposition, however, could do much to strengthen its future chances and preserve the two-party system.

In Costa Rica the generational factor adds an unknown quantity to the electoral equation. Many of the approximately 70,000 new voters will probably vote as their parents do, since young Costa Ricans are not as strongly leftist as many of their Latin American counterparts. The number involved is great enough, however, to cause most candidates to take the views of youth into consideration. A third party candidate has special appeal with young people and could win enough of the new voters to force a run-off.

Conclusions

None of these elections is expected to produce any lasting political or economic changes. The Costa Rican contest, however, will reflect the passing from the political scene of many old guard party leaders and the emergence of a new, younger group, more removed from the antagonisms of the 1948 revolution than their predecessors. In foreign policy, potential winners show no inclination to depart from the attitudes of incumbent governments toward other countries or regional organizations.

Barring an economic crisis of serious proportions or the use of especially heavy-handed tactics on the part of an incumbent government, the outlook for peaceful elections in all four countries is good with the possible exception of Guatemala. The candidates of the incumbent parties have an edge in the four contests, but there are no candidates with even a slim chance of victory with whom the US could not deal effectively.

US interests could be adversely affected, however, if disorders erupt. Should disturbances be precipitated by government repression, especially in Guatemala and Nicaragua, critics of US assistance to internal security forces might become more vocal. If there is an outburst with economic overtones, US businesses and personnel could become scapegoats, especially in countries with substantial US investments, such as Costa Rica and Guatemala.

COSTA RICA

Date of Election: February 3, 1974

Office to be filled: President, 2 Vice Presidents, all 57 legislative deputies, and municipal and local officials in all 80 cantons.

Parties registered, ideological position, and estimated electoral strength and presidential candidates:

*National Liberation Party, slightly left-of-center, 35-45 percent, Daniel Oduber.
National Unification, conservative, 18-20 percent, Fernando Trejos Escalante.
Democratic Renovation Party, left-of-center, 10-20 percent, Rodrigo Carazo.
Christian Democratic Party, left-of-center, 5-8 percent, Jorge Monge.
Independent National Party, far right, 10-14 percent, Jorge Gonzalez Marten.
Socialist Action Party, Communist Front, 3-5 percent, Manuel Mora Valverde.
Socialist Party, Marxist, less than 1 percent, Francisco Aguilar Bulgarelli.
Democratic Party, centrist, less than 1 percent, Gerardo Villalobos.

*Incumbent Party

Election Procedures:

Frequency: Every 4 years

Suffrage: Mandatory for all persons 18 years of age and over. Penalties for not voting exist but are not strictly enforced.

Method of determining winner: President and Vice Presidents must receive majority of at least 40 percent; otherwise a run-off election is held in April between the two front-running slates. Deputies are elected by a system of proportional representation. Voting members of municipal councils are also chosen by proportional representation; non-voting councilmen are chosen by plurality.

Safeguards against voting abuse: Voter marks his ballot in the secrecy of a voting booth by placing his right thumbprint in indelible ink at the bottom of the party list of his choice. Observers from participating parties monitor voting and ballot counting.

Nature of the electoral process: Although there are occasional charges of fraud, Costa Rica has a well-earned reputation for respecting and preserving the democratic electoral process. Costa Ricans have a high rate of participation, generally about 80 percent of the registered electorate.

GUATEMALA

Date of Election: March 3, 1974

Offices to be filled: President, Vice President, all 61 congressional deputies, and mayors of the 325 municipalities.

Parties registered, ideological position, and estimated strength based on 1970 elections and presidential candidates:

*Government coalition, rightist, 43 percent, General Kjell Laugerud.
National Liberation Movement.
Institutional Democratic Party.
Revolutionary Party, centrist, 36 percent,
Colonel Ernesto Paiz Novales.
Guatemalan Christian Democracy, left-of-center, 21 percent,
General Efrain Rios Montt.

Election Procedures:

Frequency: Elections for President, Vice President, Congressional Deputies, and Mayors of Guatemala City, departmental capitals, and other cities of over 30,000 are held every 4 years. All other mayors elected every two years.

Suffrage: All persons 18 years of age and over. Compulsory for literates, but not enforced.

Method of determining winner: President and Vice President chosen by an absolute majority. If no candidate wins a majority, congress chooses between the two front-running slates. For congress, a system of proportional representation is used for districts entitled to 3 or more deputies. For those districts which elect only 2 deputies, the party with the largest vote elects both unless the second place party polls votes equivalent to 80 percent of the first-place party's tally. Mayorality elections are decided by plurality.

Safeguards against voting abuse: Voter's identification card is marked after voting and his index finger is dipped in indelible ink to prevent multiple voting. Observers from each participating party monitor the ballot count.

Nature of the electoral process: Despite safeguards designed to ensure honest elections, the incumbent governments and dominant parties have traditionally conspired to control the electoral process. Electoral malpractices including harassment and even murder of opposition candidates have been flagrant. The constitutional provision for secret ballot, however, is generally respected. The abstention rate is one of the highest in Central America; in 1970 less than 50 percent of the eligible voters registered, and less than 25 percent actually went to the polls.

NICARAGUA

Date of election: September 1, 1974

Offices to be filled: President, two Vice Presidents, all 100 members of the bicameral legislature, and councilmen in all 125 municipalities.

Parties registered, ideological position, estimated strength and presidential candidates:

*Nationalist Liberal Party, conservative, 65-80 percent of votes, Anastasio Somoza Debayle.
Nicaraguan Conservative Party, conservative, 20-35 percent of votes, Eduardo Chamorro.

Election Procedures:

Frequency: General elections every 6 years; municipal elections every 3 years.

Suffrage: 18 years or over if married or literate; otherwise compulsory for those 21 years or over. Minor penalties for not voting are rarely enforced.

Method of determining winner: President and Vice Presidents elected by majority vote. Congressmen elected by proportional representation, except that opposition parties are guaranteed 40 percent of the seats. Two of the three municipal offices in each municipality go to the winning party and the other to the runner-up.

Safeguards against voting abuse: Electoral machinery is a separate, independent branch of the government. Participating parties monitor voting and vote count.

Nature of the electoral process: Secret ballot is not respected; most elections characterized by fraud, intimidation, and other abuses. In 1972, 73 percent of the registered voters participated. Because of a high degree of apathy and the large number who refused to vote as a protest, this figure supports charges of inflated voter rolls and multiple voting.

EL SALVADOR

Date of Election: March 10, 1974

Offices to be filled: 52 members of the national Legislative Assembly and municipal officers for 261 municipalities.

Parties registered, ideological position, and estimated strength:

*National Conciliation Party, centrist, 45-55 percent of electorate.
Christian Democratic Party, left-of-center, 20-30 percent.
National Revolutionary Movement, left-of-center, about 4 percent.
National Democratic Union Party, Communist front, about 6 percent.
Salvadoran Popular Party, conservative, about 5 percent.
Independent Democratic United Front, rightist, 2-3 percent.

Election Mechanics in Brief:

Frequency: Legislative and municipal elections every 2 years. Presidential election every 5 years. Next Presidential election 1977.

Suffrage: Compulsory for all persons 18 years of age and over. Fines of from 2 to 100 colones exist, but are rarely levied.

Method of determining winner: President and Vice President chosen by absolute majority. If no candidate wins majority, congress chooses between the two front-running slates. Legislative seats filled by proportional representation. Municipal offices filled by plurality.

Safeguards against voting abuse: Identity card stamped to show person has voted. Observers from each participating party to prevent ballot box stuffing and to monitor vote tally.

Nature of the electoral process: Although there were charges of official fraud following the 1970 and 1972 elections, elections in El Salvador have generally been honest since around 1962. Ballots are marked in secrecy of a curtained voting booth. Abstention rate generally has been higher (about 50 to 60 percent of registered voters) for legislative elections. Was only 31 percent for presidential election in 1972.